



## Health, Social Security and House Scrutiny Panel Quarterly Hearing with the Minister for Housing

**FRIDAY, 1st MARCH 2013**

**Panel:**

Deputy K.L. Moore of St. Peter (Chairman)  
Deputy J.A. Hilton of St. Helier  
Deputy J.G. Reed of St. Ouen

**Witnesses:**

Deputy A.K. F. Green (The Minister for Housing)  
Chief Officer, Housing  
Finance Director, Housing

[11.00]

**Deputy K.L. Moore of St. Peter (Chairman):**

All right, so we will open the meeting and welcome you to this quarterly meeting of the Health, Social Security and Housing Scrutiny Panel. Thank you very much for coming. We will introduce ourselves for the record. Deputy Kristina Moore, Chairman of the panel.

**Deputy K.L. Moore:**

Marvellous, thank you. So we will start, Minister, just by asking you about steering groups. How many steering groups do you currently sit on, please?

**The Minister for Housing:**

Steering groups or groups I sit on, I took the question to mean groups. I sit on the Migration Advisory Group, obviously the Housing Transformation Programme Political Steering Group, the

States Employment Board, and the Vulnerable Adults Policy Group. I do not sit on the Children's Group but I do attend if there is a matter relating to Housing and children.

**Deputy K.L. Moore:**

Thank you. You must find your time very much taken up with various meetings?

**The Minister for Housing:**

I do. I do, to be perfectly honest. It is quite a struggle to fit it all in and to do all the reading, to be honest, particularly around M.A.G. (Migration Advisory Group) and the States Employment Board. The Housing Transformation Programme is big but obviously I am immersed in that most of the time and when the other things come through it does take a lot of reading, yes.

**Deputy K.L. Moore:**

Thank you for that, that is very helpful. We move on now to talk about waiting lists and at the end of January the Affordable Gateway recorded 130 people being in Band A, the most critical need. What actions have been taken to ensure that they are housed as soon as possible?

**The Minister for Housing:**

As you say, the Band 1 is the highest need and we have done some work about increasing supply but not enough, more supply needs to be provided and I have been banging this drum now ever since I have been Minister for Housing. The problem is, and I know it is a question later on but we can touch on it now, and I will go over some of the supply that we have provided, not one of finance, the problem is of sites to build on. I know that is a question that we will be covering later on.

**Deputy K.L. Moore:**

Now is an appropriate time, so please feel free.

**The Minister for Housing:**

Okay. I would like to look at what we have done but before we do that it is about sites and I wrote in November to the Minister for Planning who seems to think, I think we are beginning to make some headway, he has met his obligation in relation to providing sites because of places like the ambulance station and the police station at Rouge Bouillon which has about - officers will correct me - in round terms, about 150 potential units of accommodation. But of course that is dependent on the police station being built and moved and we have not got planning permission for the police station, we know we have this debate on Tuesday about whether to go back to the drawing board. I certainly hope that will not happen, but even if the debate on Jersey says: "Continue with the scheme" planning permission has to be given, detailed work has to be done by the officers in the

various departments to finish off the plans, then they have to build it. So we are at least 3 or 4 - that is optimistic 3 or 4 years away - possibly 5 years away before we see a new home. So my argument is that that is a medium term solution, one that we need later. What we need now is rezoning. I said this in the States at question time, we need rezoning, we need more sites, we need houses now.

**Deputy K.L. Moore:**

The H3 policy only states 150 units of accommodation is required also, I think.

**The Minister for Housing:**

That is correct.

**Deputy K.L. Moore:**

I think the Minister for Treasury and Resources, in questions without notice last week, said that was not adequate.

**The Minister for Housing:**

No, it is not. It is nowhere near enough. I think if you talked to the housing needs survey statistics unit, I think they came up with the need for about 440 affordable and social rented, that is still too high. I think officers again will correct me, they have a better feel for it, but I think what we are needing at the moment in terms of social and affordable is probably about 1,000 units of accommodation.

**Deputy J.A. Hilton:**

The Minister for Planning was due to bring a policy to the Council of Ministers this week, on 27th February, are you able to give us any information or any indication of what is ...

**The Minister for Housing:**

We had a useful conversation and he is going to bring back more detail next Council of Ministers, so in 2 weeks' time.

**Deputy J.A. Hilton:**

I think we have heard that before.

**The Minister for Housing:**

Yes, I know.

**Deputy J.A. Hilton:**

I am sure that the Chair of the Environment Scrutiny Panel has stood up in the States Assembly and said he has been told on at least 3 occasions in scrutiny hearings that this information is going to be forthcoming.

**The Minister for Housing:**

Let me be a little more precise. I have to be careful here because really it is the Minister for Planning's area but he has been asked to come back with details of sites that could be rezoned in a fortnight's time.

**Deputy J.A. Hilton:**

Does this include green field sites or is it brown field sites, glasshouse sites?

**The Minister for Housing:**

That is a matter of interpretation. I am not trying to be clever, I think it includes brown field sites, some people would include the green field, and I will explain why. I think most old glasshouse nursery sites with greenhouses still on them, not in use, adjacent to residential areas could be quite legitimately regarded as brown field. Some of the purists have a view that because it was still agricultural, be it under glass, it is green field, I think they are brown field.

**The Deputy of St. Ouen:**

I am just interested to explore some of the comments you made earlier with regard to the lack of supply, we need more supply, and you point the finger at the Planning Department, and I can understand perhaps why. But we have an agreed, or the States agreed, to utilise States own land for housing. As I understand it the department that is responsible for all States land and property is Property Holdings and we have a States of Jersey Development Company that is tasked with delivering accommodation that meets the needs of the Island. Would you not agree that as much as your frustration and the proposals about rezoning land is linked to planning matters, there has equally been a delay in dealing with and releasing States own sites which we know are currently available to meet some of the needs that you have just identified?

**The Minister for Housing:**

I am told that, back to the ambulance station, the police station, it is available, but it is not. It is available for designating but it is not available to build on today. There is a small amount of gain to be had from the College for Girls. There is some social housing in there. But how many years has that been talked about? The fact is the principle of developing on States own land is a good one and we own some of our own land that we could be developing but we cannot get it kicked off. I will give you an example. It does not initially result in increase in the number of accommodation

but it does go some way to improving the standard of accommodation and will make further new accommodation available at the end of the scheme. La Collette Flats, the green there. Let us take the low rise buildings behind because the high rise are not listed but they are ...

**Finance Director, Housing:**

They are listed.

**The Minister for Housing:**

They are protected so we are stuck with those and to be honest we will talk about that later on in the refurbishment, but the low rise is not fit for purpose. We could build something imaginative that would fit in with the Havre des Pas area on the green in front. That hump that is not used for anything now, a nice green space, and I accept we do need some green spaces. We could build on that. We could then move the people. That is one of the issues when you come to renovating, where are you going to put people while you are doing that. Not all buildings are suitable for renovation, some have to be knocked down. We could then move the people to new in the front, knock down the old at the back and redevelop it, doubling the density on the site, having a nice private green in the middle with all the parking and everything that is needed. Good use of land we already own. But we are still waiting for the Masterplan. In fact the Minister for Planning told me on Wednesday that he does not need to wait for the Masterplan, but for 2 years we have been waiting for the Masterplan that he says he needed to produce.

**Deputy J.A. Hilton:**

How many units do you think you can get on that existing site over and above what you already have?

**Chief Officer, Housing:**

It is about 70, could be up to 90.

**Deputy J.A. Hilton:**

That is a lot of additional units when you are facing this shortage.

**The Minister for Housing:**

When we already own the land.

**Deputy J.A. Hilton:**

Why do you think the Minister for Planning has decided he does not need a masterplan for the area?

**The Minister for Housing:**

I do not know, because for the last 2 years ... one of the first jobs I did when I became Minister for Housing was meet with my officers and Planning's officers about developing that because that seemed to be a nice easy quick way, we own the land, we do not have to buy it, it is owned, we just needed to come up with a scheme that is acceptable for that area only to be blocked because a Masterplan needs to be prepared apparently of the Havre des Pas area. Two years later I am still waiting for a Masterplan, we have not done nothing for 2 years, we have been asking all the time only to be told on Wednesday, well that is not true, and I quoted it at the Council of Ministers. So that is something that is going to have to be ... I have asked them to go back and sort it out.

**Chief Officer, Housing:**

The other thing that we seem to have yo-yoed around with La Collette is somebody thinks there is some conceptual interest in the low rise buildings. So one minute it is going to be delisted and knocked down and the next minute we are told there is something of interest there and they do not want to see it knocked down. If you are not going to build on green fields, and I accept that really we are not able to go on to green fields then you have to develop the sites that you already have. La Collette is capable of delivering more homes and we should be able to get on with it.

**Deputy J.A. Hilton:**

So with the agreement of the Planning Department, have you got funding in place that you can start on ...

**The Minister for Housing:**

That is, again, one of your questions you have asked me. Funding is not an issue. Providing the business case on each individual site, i.e. once you have built it will the rents return the money, the Minister for Treasury and Resources ... I got full support from the Council of Ministers and particularly the Minister for Treasury and Resources who will lend me anything that I can pay back over a period of time.

**Deputy K.L. Moore:**

You have described your conversations over the last 2 years and the wait that you have had to reach agreement over these sites, when do you say enough is enough and we need to have some action because during those 2 years our waiting list, just in Band 1 alone, has grown seriously.

**The Minister for Housing:**

That is why I have now said we cannot keep pussyfooting around. The Minister for Planning said at the Council of Ministers on Wednesday that the situation I have described to you was not true, that there was no need for masterplan, we are going to pursue that next week, get on with it. But it

why that I made it quite clear in the States before Christmas that unless the Minister for Planning brings back a rezoning proposition fairly soon I will bring one. I hope that I would have the support of the Council of Ministers in that, I would much prefer the Minister for Planning to do it but we cannot go on like this. I need homes, I need homes now. People on the waiting list need homes and you have to bear in mind this waiting list is a very restrictive criteria. There are a lot more people need help than is on that list and we are not fulfilling that need. We need to do it, we need to do it now. When you put that alongside the need to provide employment for our construction industry, which despite what some States Members might say is on its knees and what will happen if we do not provide that work, that fiscal stimulus, some companies will go to the wall, some people might be quite unconcerned about that, skills will leave this Island and then when the economy does pick up, because it will pick up, we will then have a huge immigration problem because we will have to import all those skills because they will no longer exist in the Island. So we want to get our people back to work, we want to maintain our skills, but above all, as Minister for Housing, I need homes and I need them now.

**The Deputy of St. Ouen:**

With regards to that, I hear exactly what you are saying but I am a little bit confused, maybe you can help us all here, with regards to progress or not, with regards to Le Squez, the planned development at Le Squez, if you are saying that finance is not a problem.

**The Minister for Housing:**

Le Squez is going ahead in its various phases. Again officers will come in with detail, but part of the problem is we need to knock down to rebuild. That is part of the issue. So we have tenants in there. I feel quite guilty about this. Not only do we have a major plan there and we are ongoing with that, and we have started the next phase at Le Squez. Not only do we have that issue but some of the young people growing up in Le Squez will only ever in the whole of their lifetime until they leave home have lived on a building site.

**The Deputy of St. Ouen:**

You could accelerate that, that is in your hands now. You could easily go: "Right, okay ..." and you could have done it a year ago.

[11.15]

**The Minister for Housing:**

We have accelerated it and we plan to accelerate it more.

**Chief Officer, Housing:**

The Minister's key words were money is forthcoming if it is capable of being paid back. Some of what I think you are talking about it is, if you look at the J.C.G. (Jersey College for Girls) site in particular, this is being handled by S.o.J.D.C. (States of Jersey Development Company), to make the figures add up they are having to sell some of the units, in fact the majority of the units are going to be category B, I think, in which case you have to put in a capital subsidy to make these sites add up, which you cannot pay back.

**The Minister for Housing:**

Which leads us - okay, a little bit prematurely perhaps and we will talk about it later - into the Housing Transformation Programme and the need to have rents that do allow for investment in refurbishment and ...

**Deputy K.L. Moore:**

Can we just go back to that in a short while? Let us talk a little bit more about this issue, there is a couple more questions we have. Regarding J.C.G., you say the majority of the sites will not be social housing. Have any discussions taken place as to how we can increase the percentage of social housing on that site?

**The Minister for Housing:**

Only if you accept that you are going to throw money in and not get the money back, because it does not stack up.

**The Deputy of St. Ouen:**

Minister for Housing, what are you here to do? Are you here to make sure the needs of the community are met or are you acting as a Minister for Treasury with an eye to money and to priority?

**The Minister for Housing:**

I am here to make sure the needs of Housing is met but I cannot do it unless I have appropriate finance, and if the scheme does not stack up I will not have the finance. It is as simple as that. You cannot build a new house for yourself and go to the bank saying: "I would like to build a new house but I've got no money to pay it back."

**The Deputy of St. Ouen:**

Who has moved the goalposts with regards the provision of social housing and the recognition there needs to be a subsidy if you are providing for that particular need.

**The Minister for Housing:**

There does not need to be a subsidy if you develop the right sites. We have to take the wider view. If you are going to give me, and I will take it if the States decide they want to give me £20-30 million to subsidy so I do not have pay back subsidised housing I will take it. But what are you going to do? Are you going to take it from Health, are you going to take it from T.T.S. (Transport and Technical Services), are you going to take it from Education, are you going to put G.S.T. (Goods and Services Tax)? Because the money has to come from somewhere.

**The Deputy of St. Ouen:**

Just to follow that up, though, and I accept what you are saying but then you say: "But we want to rezone certain sites" which we are going to have to buy because we do not own them, so where will that money come from?

**The Minister for Housing:**

That money will come from the rents that I will get in because those sites are affordable, they are not difficult sites, I believe the owners are willing to sell, they will be selling at affordable home and social home prices, they will be less speculative than some of the others and I would not be sitting here saying the sums add up if they did not. The rent over 25, normally 25 but it might need to be 30 years, that income will pay back the purchase of the site and the building of the homes. Just as importantly, which is something that we have not done very well, and it has not been the officers' fault because they have been deprived of the resources, we need to allow for the maintenance in that business plan as well. Building something and not touching it for 30 years is just not acceptable.

**Deputy K.L. Moore:**

Going back to the waiting list issue, just briefly, you have mentioned Tier 1, we have talked about those people but obviously you have another 3 tiers in your waiting list and then there are those who do not fall into the eligibility criteria also. Are there any plans in place or any discussions taking place for those people who fall out of those particular lists?

**The Minister for Housing:**

I think what I would like to do, just to finish on a positive note and then I will answer your question, we have increased supply as well, and that has not been mentioned. Not just been sitting there waiting for these sites to come on board. We had 94 new homes in the last 18 months at Le Squez and Salisbury Crescent. We purchased ... and I believe we are going to court next Friday on the homes to be built at Langtry Gardens. There are 80 homes there.

**Deputy J.A. Hilton:**

Can I just stop you there, just for a moment, about that? When are you expecting to take delivery of those homes?

**Chief Officer, Housing:**

2015.

**The Minister for Housing:**

Yes, that goes to court next Friday, hopefully.

**Deputy J.A. Hilton:**

That is 80 new homes for ...

**The Minister for Housing:**

Well, in round terms, it might be 38 from memory, but in round terms 40 belonging to the Parish of St. Saviour under the planning obligation agreement and about 40 belonging to us, but they will all be coming through the gateway, which is the important thing. We are building ... you have probably seen it when you have been in town, 9 units at the end of Juno(?) Court there where the old Chinese was. So where we have been able to pick up sites easily, we have been getting on with it. Le Squez we are getting on, we want to develop Lesquende 35 units, but again we have been frustrated. That site has been empty I cannot remember how many years, but it has been with Property Holdings until Christmas, it has now come over to us and we were frustrated again with that because we were asked to carry out a further environment impact assessment to count the number of toads and lizards on it at a temperature of 18°C. I mean, quite ridiculous in the current situation. We have moved on from there. There has been some leeway on there, so we are going out to tender on that in the next couple of weeks. We have done the preferred list of tenderers so we are getting on with that and that will provide another further 35 units and then there is phase 2. Phase 2 we are working on at the moment to increase density because the plans that came with it did not make the best use of the site. We are working on that at the moment. But I would like to experiment a little bit perhaps around building techniques as well, but that is something to be discussed, and also to look at the possibility of gentle intervention in the market perhaps having lifelong tenures there where people can downsize. There is a lot of work to be done, that is why we desperately need a Strategic Housing Unit but things like whether you leave your 3 or 4 bedroom home and downsize to this one and that 3 or 4 bedroom home goes into the affordable housing market as part of the deal. They would have to buy the new one as well and they would have lifelong tenure, but it comes back on to the market. We desperately need the Strategic Housing Unit to be managing and looking at things like this. But we are working, we are not just talking about it, but at the end of the day there is not enough land

available for development, quick development, and that is why we need to rezone and that is what I look to the Minister for Planning to do.

**Deputy K.L. Moore:**

What hope can be given, even if you find a successful tenderer at Lesquende that is still, what, a year, 18 months down the line before anybody could move in?

**The Minister for Housing:**

Absolutely.

**Deputy K.L. Moore:**

So what hope is there for people in Tier 1?

**The Minister for Housing:**

The only hope is to get on as we are doing with Le Squez, so at least St. Saviour is going to happen much quicker because what is blocking ... Tier 1 needs to be housed quickly and they do get housed ... we do have a reasonable turnover but those others that need bigger units of accommodation cannot get into the bigger units of accommodation because we cannot move the people that are under occupying. It is not that they do not want to move, which is a popular belief, and that we do not want to move them. We have nowhere to move them to. So we need to get on with that. You will see an improvement in the waiting list generally. But one of the things we have not been good ... sorry, I am quite passionate about this. In the past I think we have made terrible mistakes of almost meeting the need - this is the States again not the officers - and then turning off supply. We need to keep a gentle supply running all the time because it could be 18 months to 3 years from conception of the scheme to people moving in. We need to be gently doing that all the time. If that means to finance it once the waiting lists are right, selling some on as affordable homes and shared equity to people whose situation has improved, it is a good thing. That makes them less dependent on the State and it keeps the stock being realigned.

**Deputy K.L. Moore:**

How can you justify selling off your own housing stock when you have such a shortage?

**The Minister for Housing:**

It is quite simple really because that family will stay there for the rest of their working life, probably, if not whole life, even though their situation has improved a little bit. So if you can release the resources from that home in terms of the mortgage I can reinvest that in the new one. That family's house is a new family's house.

**Deputy K.L. Moore:**

But just a moment ago you talked about having another tier of housing where people could move in and it become a shared equity situation or something like that, then they could leave your housing and ...

**The Minister for Housing:**

No, no, I did not say that. In there I was talking about people in their own homes occupying 3 and 4 bedroom homes that cannot afford to move, cannot afford to downsize or if they did downsize it would cost them almost as much as the sale of their now quite old rundown home. I believe that they would purchase a lifetime enjoyment and release that home into the affordable market. Now, when we are talking about our own tenants, if you have a tenant who is just on the line in terms of being able to afford to buy they are either going to remain there - and they are still being subsidised, even at 90 per cent that is 10 per cent less than the market rate - or they can buy. Those resources released from them buying it allows us to invest in a new home. So 2 families are housed not just the one that has always been there. It does need to be managed very carefully but we need to get more creative, we need to be a bit more imaginative and the officers need the freedom to do that and that is where the association, I think, comes in. So we are getting into the Housing Transformation Programme.

**Deputy K.L. Moore:**

Before we move on to that, and we will shortly, you were going to answer the question about the eligibility, people who fall out of the eligibility criteria.

**The Minister for Housing:**

Yes, I am quite keen, although the U.K. (United Kingdom) Government seems to have be moving in line to where we are at the moment, that we widen the eligibility, particularly for young people and particularly for childless couples under 50, because they are the ones that are specifically excluded. There had to be some eligibility criteria even within that. I could do that today. I could sign a M.D. (Ministerial Decision) saying: "Let us widen it" but it would be utterly dishonest because until I could increase the supply all I am doing is putting more people on the list.

**Deputy K.L. Moore:**

Indeed. Okay, thank you. Shall we touch briefly on the starter loan deposit scheme before moving on the H.T.P. (Housing Transformation Programme)? Have you had any indication from people who are interested in joining the scheme to date?

**The Minister for Housing:**

Yes, there is about 150 people on our affordable homes scheme and a number of those have indicated that they might be interested in the deposit scheme. I have to say that we have not marketed the deposit scheme because it does not exist yet. You cannot market something that does not exist. As you know, scrutiny are looking at it at the moment, I think it is the Corporate Services Sub-Panel are looking at it at the moment. We are waiting for their report and then will debate in the States as to whether this scheme will exist. There are ... I speak to the public as well and there are people who think it is a good idea and there are people who think it is a terrible idea. What I will say, though, is that the scheme obviously, the nitty-gritty around it, needs to work but the scheme cannot be that far out because if they can do it in the U.K., if they can do it in New Zealand, if they can do it in Australia, I do not see why Jersey cannot do something the appropriate that will not affect the market price. That is very important. If you were to throw hundreds of thousands of loans in there then you could stipulate the demand could not be met and up would go the price of homes. We are only talking about an experiment of 100 loans to see if works. What can we learn from it? What could we do better? How does it help? The economic advice that we have very carefully taken from the Economic Adviser, he thinks that the amount is so small that it would not affect the market but we want to know that for definite that is why we are only releasing £3 million.

**The Deputy of St. Ouen:**

You did say that 150 individuals are identified on the affordable homes scheme. Where is that shown in the housing affordability?

**The Minister for Housing:**

It is not at the moment. It was, but it is not ... we are just retweaking that and somewhere in here ...

**The Deputy of St. Ouen:**

Why is it not shown if that is going to be ...

**The Minister for Housing:**

We are just retweaking our website, that is all. We are just tweaking the website so it will be shown fairly soon. It was shown. We are just changing it and it will be shown again soon, in about a month's time. It will not show the names, it just shows the amount.

**The Deputy of St. Ouen:**

You have bands?

**The Minister for Housing:**

Yes.

**The Deputy of St. Ouen:**

Which band does this ...

**The Minister for Housing:**

Five or 6?

**Chief Officer, Housing:**

Five.

**The Minister for Housing:**

Six is the people needing assistance. It will be shown. It was.

**The Deputy of St. Ouen:**

At the moment, if you are asked to describe the sorts of individuals that would current make up that group, who would they predominantly represent?

[11:30]

**The Minister for Housing:**

Difficult to say, but what I can tell you is that people on fairly modest incomes that have virtually no savings, although to get into the deposit scheme they must have 5 per cent of their own, so if they have good incomes and they have good savings or they have already owned a home they will not fit the criteria. We could send you the ...

**The Deputy of St. Ouen:**

At the moment would they generally be existing housing tenants, the majority of them?

**The Minister for Housing:**

No, some would be, they do not have to be.

**The Deputy of St. Ouen:**

Are you able to identify the different ... where there is currently ...

**The Minister for Housing:**

I cannot here but I am sure we can send them out to you.

**The Deputy of St. Ouen:**

All right, that is the sort of information you collect?

**The Minister for Housing:**

Yes.

**Chief Officer, Housing:**

I think the majority of these people would of course have emanated from the former Home Buy Scheme and I think this is where the Minister was touching on about the Strategic Housing Unit and where these issues sit because the deposit scheme is being looked after by the Chief Minister's Department, Paul Bradbury, but certainly we have the figures on our ... on the people that are able or willing to come forward. But that is predominantly the people who came forward on the Home Buy.

**The Minister for Housing:**

One of the things that has been disappointing for me as Minister, though, is that not always do the affordable homes that do come through planning obligations and planning gain come through the affordable gateway. The scheme at St. Brelade, for example, went via the parish only, it did not come via the gateway. Now, I support parish schemes but I think they should still come via the gateway so that we make sure that we are consistent in terms of are these people eligible, do they meet the right criteria?

**Deputy J.A. Hilton:**

Did the Trinity scheme come through your gateway?

**The Minister for Housing:**

The Trinity scheme did not but that was slightly different, although in terms of the rental parts of Trinity they did. But that is slightly different because that is shared equity thing so it was slightly different.

**Deputy J.A. Hilton:**

The position at the moment, I believe, is that we have not got any sites to deliver affordable housing because we do not have the policy in place, is that correct?

**The Minister for Housing:**

That is correct.

**Deputy J.A. Hilton:**

Where are we with that policy?

**The Minister for Housing:**

That policy is still under discussion, you are talking about H3?

**Deputy J.A. Hilton:**

Yes.

**The Minister for Housing:**

Yes, that is still under discussion. A presentation took place to the Council of Ministers on Wednesday this week but there is still some more work to do on that.

**Deputy J.A. Hilton:**

Who brought that to the Council of Ministers?

**The Minister for Housing:**

The Minister for Planning.

**The Deputy of St. Ouen:**

Would you not agree that the States have made a policy decision to utilise States own land for affordable housing?

**The Minister for Housing:**

Yes, they also made a decision that if 150 units of accommodation was not made available on States land by June this year that we could bring the Island Plan back to look at the sites that were refused for rezoning.

**The Deputy of St. Ouen:**

How many units are planned on the Jersey College for Girls' site?

**The Minister for Housing:**

It does not matter how many ...

**The Deputy of St. Ouen:**

Sorry, Minister, I asked you a question, how many units are roughly planned for the Jersey College for Girls' site?

**The Minister for Housing:**

I think it is something like 30 but they are planned.

**The Deputy of St. Ouen:**

No, sorry, total amount of units planned to be delivered on the Jersey College for Girls' site?

**The Minister for Housing:**

I have no idea, I am not the Minister for Planning and I am not Property Holdings.

**The Deputy of St. Ouen:**

So you have not been involved ...

**The Minister for Housing:**

There is about 30 social housing.

**The Deputy of St. Ouen:**

You have not been involved in those discussions?

**The Minister for Housing:**

I think there is about 30 social housing.

**The Deputy of St. Ouen:**

But, overall, how many units will be provided on that site?

**The Minister for Housing:**

I have no idea, it is not something I am responsible for. That is Property Holdings and Planning.

**The Deputy of St. Ouen:**

There could be just 30.

**The Minister for Housing:**

Some 28, 30 units of accommodation there, but I emphasis they are planned. We are not going to see them for 3 or 4 years at the earliest. I need that accommodation now. I genuinely believe that the States, when they passed the Island Plan said that if 150 units were not forthcoming on States own land by June this year then it would need to come back, and that is what I think we should be doing, bringing it back in June because we have some "in theory" places like on the ambulance station, like College for Girls, but there is nothing firm, nothing definite.

**Deputy J.A. Hilton:**

So going back to the H3 policy, just to clarify, it is still in development, the same as the H1 policy?

**The Minister for Housing:**

Still in development; that is correct.

**Deputy J.A. Hilton:**

Which States Members were promised about a month ago. We were promised that a policy was being taken to the Council of Ministers at the end of February but we find ourselves today in a situation where neither H1 nor H3 policy is established?

**The Minister for Housing:**

I think it is close to being established but that is a question you have to ask the Minister for Planning.

**Deputy J.A. Hilton:**

Thank you.

**The Deputy of St. Ouen:**

Can I just ask your Chief Officer whether he is aware of the overall units that are planned for the Jersey College for Girls?

**Chief Officer, Housing:**

Yes, I am, as far as the last conversations with S.o.J.D.C. but I think the important thing is when the Island Plan was debated and the demand was looked at, there was talk of 1,000 units being produced for social housing, or 4,000 units frankly for the housing market, would be produced through current applications on various sites and that the States would contribute 150 from their own sites, which I think, as the Minister has said, was put forward as Summerland and ambulance, which as he has rightly said is probably 5 years away. What the States then also did was to pass some of these sites to the S.o.J.D.C. This is where the real problem comes, is to extract value and it is a case of wanting to have our cake and eat it. You look at the J.C.G. site which has been empty for how long? That is a site that could produce social affordable housing in its entirety but it would need a capital injection of funds.

**The Deputy of St. Ouen:**

Which will not be repaid?

**Chief Officer, Housing:**

Which will not be repaid.

**Deputy J.A. Hilton:**

This is why it must be very frustrating for you when you have a site at, say, La Collette for instance that you can maybe deliver 70 units on but it is ...

**The Minister for Housing:**

Exactly and Lesquende. I wanted to see the bulldozers on there in January. We have only had it a short while but I would like to have seen ... perhaps I was a bit ambitious there but to be told ... and they have withdrawn it now but to be told we could not do anything until the count of the lizard or whatever at 18°C at the time when we need those homes, we need the construction - the impact assessment had already been done once - I find it unrealistic, quite frustrating and we need to get real frankly.

**Deputy J.A. Hilton:**

Have you got the support of your fellow Ministers to develop La Collette?

**The Minister for Housing:**

Yes, I believe so. I believe particularly the Minister for Treasury and Resources in terms of funding and the Minister for Economic Development want to see this happen because they want the work and I need the homes.

**The Deputy of St. Ouen:**

I am sorry to press you but can you just confirm roughly how many units?

**Chief Officer, Housing:**

Forty social housing, which is I believe a separate block, and St. John, what was the ... it was nearly 100, I think.

**The Deputy of St. Ouen:**

One hundred additional?

**Chief Officer, Housing:**

Yes, category B, and the main school would be category B, the school building. A very large unit.

**The Deputy of St. Ouen:**

Thank you.

**Deputy K.L. Moore:**

Time to move on I think to talk about the Housing Transformation Programme. Your report and proposition is due imminently, do you have a date?

**The Minister for Housing:**

It is going through livelink, I think is the term, at the present time and will be lodged on Monday without fail, and I intend not only to lodge it on Monday but the Chief Minister and I, along with officers, will be making a full press release in the afternoon on Monday so we are there ready for debate, shall I say. So that will be lodged on Monday. Can I just say that the work that you did in your interim ... or your sub-panel, in the interim was very helpful in making us look again at the rents policy. It was also the feedback I had from 26 States Members without exception, bar one ... sorry, with 2 exceptions, had some concern about the initial policy but the fact is that we did go back and do a huge amount of work around ... because people seemed to feel more comfortable if the rent policy was 80 per cent market rate rather than 90. We did a huge amount of work on that, the finance director in particular worked on that. But the fact is the sums just did not stack up and what we are trying to do here is to move on. We do not want to continue the mistakes of the past where we build something and we cannot maintain it. So we need to have sufficient funds in order to be able to not only get our existing accommodation up to decent homes standard, and we have done a lot of work on that already in the last year or so, Pomme D'Or Farm, Charlden de Caro(?), Clos Gossett, we have started on La Collette and we have got plans for De Quetteville and there is a lot of work going on but of course that does not generally increase the number of units of accommodation, that just improves, quite rightly, the quality of it. We need also money to continue to invest in capital investment. The 90 per cent rents do that but you would be aware that what this does do at the same time is take stock of the fact that the existing tenants have planned their lives around the rent they are currently paying and so we have allowed for that as well. I have to say that has come about because of the comments in your report, which I am very grateful for, and the comments of the other 26 States Members, bar 2, who asked why we were not at the 100 per cent. So that is where we are but we have lodged ... it is going through the States system at the moment through the Greffe and it will be formally lodged on Monday.

**Deputy J.A. Hilton:**

In your business plan, 2013, one of the bullet points under the R. and P. (Report and Proposition) is the return to the previous fair rent policy re-establishing rents in the social rented sector at 90 per cent of their market equivalent. Are you able to say what the implications of that new policy is going to be on existing tenants?

**The Minister for Housing:**

Yes, on the existing tenants, existing tenants will remain to pay the rent they are paying and on a manual basis that will go up if they are not paying the right rent. There are a few, a handful, that will be paying the correct rent, and if they are not paying the correct rent they are below that, it will go up on an annual basis by R.P.I. (Retail Price Index), plus .75 per cent. So a small increase every year until we get to the right level of 90 per cent.

**Deputy J.A. Hilton:**

How many years is that going to take?

**The Minister for Housing:**

It depends. For some it will take a number of years because they will not move, but if they move and they take out a new tenancy then they will pay the 90 per cent, but they know what the rate will be. Generally they move because they are downsizing so they get a cheaper unit of accommodation anyway. But they will know what they are agreeing to when they move.

**Deputy J.A. Hilton:**

So that is to address the hidden subsidy? Do those people who earn over ...

**The Minister for Housing:**

Now, what it does not do, what it does not address is the ones whose situation has improved significantly who you could say were still being subsidised by 10 per cent. Now, we have done a lot of work on that. There is only a handful of people. I think we only found a few people earning more than ... household income, not just individual income, household income, so that is any working children and so on, and we only found a few people earning more than about £40,000. You did the work on that.

**Finance Director, Housing:**

There are 178 tenants whose household income is more than £40,000.

**The Minister for Housing:**

So that is their income and their children's income. So it is not significant but, of course, if the Strategic Housing Unit is doing its job for the first time it will be offering people alternatives. For a little bit more they could be living in their own home or their shared equity home or buy the home that they are in and release that capital for reinvestment. So we need those things running alongside each other.

**Deputy J.A. Hilton:**

I think I may have misunderstood slightly. I think you said that existing tenants who will not be paying the fair rent will pay it by an increase in R.P.I. each year plus .75 per cent until they come up to the ...

**The Minister for Housing:**

Yes, I did.

**Deputy J.A. Hilton:**

But you just said about the 178, does it apply to those 178?

**The Minister for Housing:**

Yes, it does apply but what I am saying is what it does not solve is that they still get ... at the end that 178 families could be argued will still get the 10 per cent subsidy because they should be paying 100 per cent.

**Deputy J.A. Hilton:**

Okay, right, I understand. Thank you for clarifying that.

**The Minister for Housing:**

But they will have an option to move on.

**Deputy J.A. Hilton:**

Have you considered, because I think Guernsey did this, a policy whereby those families who are currently living in social housing with incomes which far exceed the normal criteria, asking them to leave and find accommodation in the private sector?

**The Minister for Housing:**

Yes, I have considered it and I have decided it is not something that I would want to do. What I would rather do is offer them alternatives.

**Deputy J.A. Hilton:**

Thank you.

**The Minister for Housing:**

Encourage people rather than beat people.

**Deputy K.L. Moore:**

Could you explain whether you are going to decouple the private sector rent?

**The Minister for Housing:**

Yes, that is not ... and I am not trying to be evasive, that is not a question for me, that is entirely a matter for the Minister for Social Security, who will be bringing a report on it.

[11:45]

My own view is that it should be decoupled, but you will have to ask the Minister for Social Security. I believe he is going to but you have to ask him.

**Deputy K.L. Moore:**

I presume it is the Social Security Department who have carried out the work regarding a number of families who will need more income support in order to pay for their housing costs?

**The Minister for Housing:**

Yes, they have done a lot of work for us and worked very closely with us on this. They did a social impact report for us and the figures are very clearly shown as ... I hope you have had a copy of our report and proposition although it has not been published.

**Deputy K.L. Moore:**

We have.

**The Minister for Housing:**

That is fully explained in there. The proposition has been tweaked a little bit, it is more polishing rather than principle changes, i.e. a change in what you have in front of you or that you have seen. We have polished it a little bit and you will have that fairly soon. But fundamentally it is the same principle, things around Strategic Housing Unit and the regulator and the rents policy and the association.

**Deputy K.L. Moore:**

You have been very keen to talk about the Strategic Housing Unit and your perceived need for it. Could you describe the formal structure that will be set up around that?

**The Minister for Housing:**

Yes, I will. What needs to happen is that at the moment housing policy sits all over the place, which I might suggest is why we are slightly in the mess that we are in. You have some housing

policy that sits within Health, and that relates to standards and conditions in unqualified accommodation. You have some that sits in Population, you have some sits in Planning and, surprisingly enough, the smallest bit sits in Housing because we are the landlord and to some degree come within the regulator. But it is not joined up and so the Strategic Housing Unit sounds very grand, it is really one housing expert appropriately supportive that will be running things like the gateway, gathering information on housing needs, not just social housing needs, not just affordable housing needs but housing needs across all tenures, advising the Planning Department on the need to make land available, whether that be redeveloped sites in St. Helier or brown field sites or States owned sites or whatever, but they are performing a need to Planning and coming forward with schemes such as the deposit loan scheme, such as the scheme I was talking about before where people might buy lifetime enjoyment and be able to downsize and bring their homes back into the marketplace because if we make better use of existing homes we do not need to build quite so many. I am talking generally, not social housing. I would like to see another scheme but I will certainly judge the Strategic Housing Unit to look at. I would like to see a scheme, for example, whereby you build and people that move in from the affordable bracket, section 5 or 6 - I get muddled up on the sections - section 5, I think, whereby, for example they rented 100 per cent of market rate for 5 years. That is their deposit; they could then get a mortgage and buy a place. We need to be a little bit creative around allowing ordinary people to fulfil the dream of owning their own home. That is the Strategic Housing Unit's work. So it is a housing expert but of course we do not end up with just one expert, let us go into the real world, they will need assistance, an office and all the rest of it but the skill will come from one person.

**The Deputy of St. Ouen:**

Are you saying those skills are not available within the current Housing Department?

**The Minister for Housing:**

What I am saying is those skills were all over the place. The Housing Department has very little input into housing policy across all tenures. The Housing Department concentrates currently on some affordable homes when they become available. We had no say in where they were going to be built or how many are going to be built or the ... we have no more say in the H3 policy than any other States Member, some of it sits with Planning, some of it sits with Health, some of it sits at Population, it is a nonsense. That is why we are in the mess we are in.

**Deputy K.L. Moore:**

What teeth will this one person and assistants have? Who will listen to them?

**The Minister for Housing:**

They will be charged with bringing forward schemes, they will be charged with embroiling Planning on what is required. So when H3 or whatever it is that comes forward, it is all very well sitting there saying: "Well, we need so many 2 bedroom homes" we might need ... it is 2 bedroom homes we need at the moment but we might need a mixture of 3 bedroom and 1.5 bedroom.

**Deputy K.L. Moore:**

With due respect, Minister, take the situation you are in currently where you have been asking the Minister for Planning to rezone sites and to produce sites for you to increase your build, how will this Strategic Housing Unit, without even a direct political Minister, encourage the Minister for Planning to ...

**The Minister for Housing:**

Taking the latter person, it has not yet been decided whether there would be a direct political Minister or not, it is likely that it will sit within the Chief Minister's Office but it has not been decided definitely that it would not be the Minister for Housing or Assistant Minister responsible for Housing. That has not yet been confirmed that will be part of the ministerial reviews. We kept getting asked for different Ministers for different things, that is all under review. What I am saying is that currently, you are right, I am asking the Minister for Planning to rezone but I am trying to take a wider role but I am primarily concentrating on my brief for social housing. I have taken under my wing affordable as well but it is not strictly there. But we need to be making sure that we have good use of the other homes. I keep hearing about all these empty homes in Jersey, there is not as many as people think there are but there are some. Let us bring forward schemes that might encourage people to move them into the marketplace, to make them available for use. All this work needs to be done. At the current moment there is no connection.

**Chief Officer, Housing:**

I just wanted to say that in 2005 the States agreed to split the Housing Department and the Housing Law, and the registration of lodging houses and, something we do not mention very often is the unqualified accommodation, was part of the Population Office which was part of the Chief Minister's Department. I think what the Minister has done with these proposals on the H.T.P. is to say we need to bring back these policy matters into a cohesive unit that can deal with them all. At the moment he is right, they have been split into different areas which is ...

**The Minister for Housing:**

It is very clear to me as a newcomer coming into Housing policy, when you read the report of Christine Whitehead it is very clear to me that we do not have that bit right and we need to do something about it. This was one of her very clear, very strong recommendations.

**The Deputy of St. Ouen:**

When was that report completed?

**The Minister for Housing:**

In 2010.

**The Deputy of St. Ouen:**

2010. So bearing in mind that she identified that there was an issue, and I am not necessarily suggesting that you are responsible for all the ills or difficulties faced by the Housing Department but would it not be the case that a Minister for Housing might have come forward and identified the problem and tried to address it more immediately than perhaps it has been?

**The Minister for Housing:**

That may well have been the case but I cannot speak for the previous 2 Ministers. I know that since I have been in post I have been working on it.

**The Deputy of St. Ouen:**

Can I just say, you do say - and I am just picking up your business plan - no decision has been made yet with regard to Strategic Housing Unit ...

**The Minister for Housing:**

A decision has been made, I think it has been accepted although perhaps in the States, my recommendation is that it go into the Chief Minister's Department as part of the social policy group. What I said was no decision has been made as to whether there would be a Minister responsible within there for Housing.

**The Deputy of St. Ouen:**

You are quite clear in your introduction that says that separation of functions ... you are talking the States own housing association as a Strategic Housing Unit: "Separation of functions has already been achieved to some degree by the appointment of a dedicated staff resource to the new Strategic Housing Unit within the Chief Minister's Corporate Policy Unit." So that seems to be quite clear that decisions have already been made.

**The Minister for Housing:**

No, a decision has not been made. The States are going to make the decision. In order to move the Housing Transformation Programme forward, I needed to have some help and expertise in there. So I have a temporary officer working in there, otherwise with my team we would not have

been able to move everything forward, so there is somebody temporarily doing that. What I want to do is to set that up properly and formally.

**Deputy K.L. Moore:**

In your business plan there is a net revenue expenditure of £211,100 for the S.H.U. (Strategic Housing Unit), can you explain that?

**The Minister for Housing:**

I will ask my colleague to explain it. A lot of it will be salary and then some of its accommodation but if you want more detail I will have someone explain it.

**Finance Director, Housing:**

£182,000 is the salaries of the S.H.U. post that we have been talking about plus the 2 people who operate the gateway, and there is an additional £29,000 in there for this year to bring forward the regulations that need to be developed under the eventual law if it is approved.

**Deputy K.L. Moore:**

Thank you, that was very concise. When will the Island Housing Strategy be produced?

**The Minister for Housing:**

The Island Housing Strategy? Right, okay, it is difficult to put a date on it but this will be one of the roles of the Strategic Housing Unit because at the moment my main role is around social and affordable and we do need a strategy, and that will be one of the first jobs that S.H.U. will get on with.

**Deputy K.L. Moore:**

Okay, thank you. The clock is marching on a little bit. We were going to talk about Housing Trusts, have you got 5 minutes so we can carry on and do that.

**The Minister for Housing:**

Yes, certainly.

**Deputy K.L. Moore:**

In January the Jersey Homes Trust announced its plans to build around 200 social housing units in the next 3 years in order to address the Island shortfall. Can you inform us how you intend to assist Jersey Homes Trust?

**The Minister for Housing:**

We work very closely with all the trusts. Some we have a more interesting relationship than others but we have been specifically talking to Jersey Home Trusts about them doing the J.C.G. social housing units when they become available and to redevelop Ann Court when that becomes available because, again, Ann Court does belong to Housing, we had to knock down the units that were there because they were not suitable for continued ... or at least half of them were not suitable, so we had to knock them down and of course for the time being the site is being utilised by T.T.S. to finish off the connection to the Camp(?), quite rightly. I can understand that. If they can prevent town from flooding as we have seen it in the past, they ought to do that. But we are talking to Jersey Homes Trust about them developing that site for us. I am very keen that we do work very closely with the Trust and that is where the Strategic Housing Unit again will come in, looking at when there is a need and there is availability of sites, who is most appropriately best placed to develop it. It will not always be the new association, sometimes it will be the Trust.

**Deputy J.A. Hilton:**

You made the comment that you had an interesting relationship with the Trust, can you elaborate a little bit more on what you mean by “interesting”.

**The Minister for Housing:**

I meet with them regularly and we get on quite well and they have accepted the general principle of a regulatory impact, Jersey Housing Trust in particular has been advocating the need for an independent regulator for some time. Okay, we need to sort out the appropriateness of the regulations, throwing the Chairman into prison for not producing the accounts did seem a little bit over the top so we have removed that and we are working on that. I have to say that while I have a good working relationship with the Chairman of Les Vaux they have been less than enthusiastic about the Housing Transformation Programme, but I do not think I am telling you anything you do not know already know, to be honest with you.

**Deputy J.A. Hilton:**

Are you able to say why they are less than enthusiastic?

**The Minister for Housing:**

I do not really understand why to be perfectly honest because if you look at the business model, as far as we can ascertain because they have been refusing to provide some of the information for us to do the work properly, if you look at the business model as I understand it, so far as I can see and if the rents were to remain at the same level as they currently are, they will not be able to meet the decent homes standard. They will not be able to even replace or develop Troy Court. I noticed in the questions that you mentioned Troy Court, I have been working very closely with the

Chairman particularly to assist him in trying to move Troy Court on. Unfortunately we are going to have to come up with Plan B now because Plan A did require the co-operation of St. Helier, the Parish of St. Helier and they have refused to provide that co-operation, which I think is a very short-sighted step because that would have meant we could have developed or Les Vaux Trust could develop Troy Court to the rear of the site, I think have come up with a much better development, solved the problem of where the tenants live while the site is being developed, because that is always a big issue.

[12:00]

It is very easy to say: "We will knock it down and rebuild it?" Okay, well where are you going to put the 100 families or whatever it is. Whereas if you could have developed to the rear of the site that would have allowed them to develop the new homes to a high standard, because let us be honest, Troy Court and the other one, the Perquage are not fit for purpose today. Tenants do go in there because the rents are very cheap but they are not right and the other advantage, I think, and that is why I am surprised that the St. Helier Roads Committee did not support it, that would have moved all those units of accommodation into the Parish of St. Helier and for virtually nothing they would have got all that new rate income but they were not supported.

**Deputy J.A. Hilton:**

Are you able to say why they were not supported?

**The Minister for Housing:**

No, I cannot get a straight answer. The Constable tells me the Roads Committee just would not support it.

**Deputy J.A. Hilton:**

So what were you asking St. Helier to do?

**The Minister for Housing:**

I was asking them to tidy up the boundary, to straighten the boundary by a small amount would enable then the development to take place at the rear of the building. It is shrub land. There was some concern that it would stop the children from the nearby nursery walking through the shrub land, it would not have done that. It merely just straightened the boundary but the Roads Committee would not consider it. That is what I am told. I went with the Chairman and made a very strong presentation twice to the Roads Committee, I was not there when they deliberated but the letter we got back from the Constable was a very clear no.

**Deputy K.L. Moore:**

Have any of your discussions with the Housing Trusts centred around assisting them with borrowing?

**The Minister for Housing:**

We will assist them in any way that we can help them, with expertise ... what we are moving away from though is acting as the guarantor for loans, although that is really a matter that we need to discuss with the Minister for Treasury and Resource, but that model is being ... I have moved on, to be honest with you.

**Deputy K.L. Moore:**

Any further questions, Panel? I think we will leave it at today. Thank you very much, Minister and team.

**The Minister for Housing:**

Thank you.

**Deputy K.L. Moore:**

It is very kind of you to give us your time. I close the meeting.

[12:02]